

FORT VANCOUVER REGIONAL LIBRARY
Clark County, Washington
January 1, 1992 Through December 31, 1993

Schedule Of Findings

1. The District Should Separate Foundation Activities From Library District Operations

The Fort Vancouver Regional Library Community Foundation was established as a private, nonprofit, fund raising organization to benefit the Fort Vancouver Regional Library district. Our review of the relationship between the foundation and the district found the following:

a. No Written Agreement To Establish The Public Benefit For Services Provided To The Foundation By The District

The district assists the foundation by allowing district employees to perform various tasks including receipting donations, determining whether they should be deposited to the foundation, and making the deposits.

Attorney General Opinion (AGO) 1993 No. 18 indicates that any extended agreement between a governmental entity and a private nonprofit corporation must be in writing.

By allowing a private organization to use district employees and facilities without an agreement establishing consideration, the district may violate Washington State Constitution Article VIII, Section 7, prohibiting gifts of public funds.

b. Donations Designated For The District Were Deposited With The Foundation

Our review found checks totaling \$650, which were designated to the library, had been deposited with the foundation by a district employee.

Attorney General Memo (AGM) No. 13 states in part:

... public entities do not have the authority to make donations
or pay charges to be donated to private non-profit corporations.

Conveying such donations to the foundation is contrary to the intent of donors and does not ensure that expenditures are made in accordance with their wishes.

These improprieties occurred because the district was not aware of the controls and procedures necessary to ensure compliance with state laws and regulations when dealing with the nonprofit foundation.

We recommend the district not allow public resources to be used on behalf of the foundation unless a written agreement establishes the public benefit of such activity. We further recommend the district review all donations they receipted and ensure those intended for the district and improperly deposited to the foundation are returned to the district.

